

## 2019/2020 Annual Results

- Very good resilience of the activity with annual revenues of 7.9 M€
- Increased gas and electricity production volumes (+ 27% yoy)
- EBITDA maintained at 1,1 M€ million despite the low price environment
- Solid and reinforced financial health of the Group

## 2022 ambitions confirmed

Forbach, France, October 15, 2020 – La Française de l'Énergie (Euronext: LFDE - ISIN: FR0013030152) leader in industrial ecology, closes an atypical 2019/2020 financial year with a significant increase in production volumes, that was counter balanced by depressed energy prices due to the COVID-19 pandemic. The Group still managed to preserve its profitability with an **EBITDA of 1.1 M€**. These results confirm the resilience of the Group's economic model as well as its ability to pursue its developments in an unprecedented context.

Consolidated accounts In Euro Thousands (k€)	2019/2020	2018/2019
<b>Revenues</b>	<b>7 855</b>	<b>7 914</b>
<b>EBITDA</b> <i>% of revenues</i>	<b>1 057</b> 13,5%	<b>2 275</b> 28,8 %
Adjusted EBITDA <sup>1</sup> <i>% of revenues</i>	1 057 13,5%	1 065 13,4 %
<b>EBIT</b> <i>% of revenues</i>	<b>(143)</b> (1,8%)	<b>1 397</b> 17,6 %
Financial Result	(562)	(518)
Taxes	753	(37)
<b>Net income Group share</b> <i>% of revenues</i>	<b>109</b> 1,4%	<b>841</b> 10,6 %
Minority interests <sup>2</sup>	(61)	-
<b>Net Profit</b>	<b>48</b>	<b>841</b>

The Board of Directors of La Française de l'Énergie, which met on October 12, 2020, approved the annual accounts as of June 30, 2020. The Group's Statutory Auditors performed their due diligence on these accounts and the issuance of their reports is in progress.

<sup>1</sup> EBITDA adjusted from non-recurrent 2019 items: 910 k€ from the 2015-2017 Crédit Impôt Recherche and 300 k€ from the 2016-2018 Gazonor tax refunds

<sup>2</sup> Results of LFDE's Cellcius subsidiary dedicated to the management of the thermal solar plant in Creutzwald – Cellcius is 51% owned by LFDE and 49% by Enes, the local utility company.

### Good EBITDA level driven by the increase in production volumes (+ 27%) and operating costs control

During the 2019/2020 financial year, La Française de l'Énergie maintained its production level at its best levels at the pic of the crisis and recorded a significant increase in its **gas (+ 24%) and green electricity (+ 35%) production volumes** compared to last year. These excellent operational performances have enabled the Group to maintain **revenues at 7.9 M€** despite the fall in gas prices (- 44% yoy) and electricity prices in Belgium (- 6% yoy) following the global economic slowdown. These cyclical price drops weighted for 1.7 M€ on the Group's annual revenues, while the Group is still due to monetize the green certificates associated with its activity in Wallonia that amount to more than 1.4. M€ over the past financial year.

However, good operating cost control **reduced the Group's production cost per MWh by 20%** compared to the previous year, allowing a solid EBITDA level of 1,057 k€ despite the shortfall in earnings over the period. Thus, on a like-for-like basis (excluding non-recurring items recorded in 2019), EBITDA remains stable compared to last year.

Operating profit amounted to -143 k€ and included the depreciation charge related to the commissioning of the electric motors on the Avion site and the new cogeneration systems in Anderlues in 2019.

**Net income Group share was positive at 109 k€** following the activation of existing carried forward tax losses (753 k€).

### Strengthened financial structure and preserved investment capacity

La Française de l'Énergie confirms its ability to generate positive operating cash flows (+797 k€ over the year) and sees its cash position strengthened through two loans (Bpifrance Financement for 1.3 M€ and Triodos Bank for 4.2 M€) that were put in place to refinance the 2019 investments initially funded by equity, and a loan guaranteed by the State (1.6 M€).

At the end of June 2020, the Group posted a **cash position of 3.8 M€** and kept its investment capacity intact with a very conservative **29% net debt to equity ratio**.

### Developments and revenue growth confirmed for 2021

The Group continued a sustained investment policy during the year with nearly 3 M€ of capex spend and maintained its development program during the period by continuing at the height of the crisis, to work on its various projects. In the Grand-Est region, the **largest solar thermal park in France** backed by an urban heating network, carried out in partnership with Énes, a local utility with the financial support of ADEME, will start **production by the end of October** and will produce 2,610 MWh of heat annually – a production equivalent to c. all of the summer needs of the heating network.

Likewise, work on the **new Béthune site** has not been interrupted during the pandemic and the Group will maintain delivery of gas, green electricity and heat as of January 1, 2021 as previously anticipated. This short-circuit energy with secured long-term prices will provide more than **2 M€ guaranteed annual income** for the Group.

In addition, La Française de l'Énergie confirms further deployment on its existing sites with an **additional 7.5 MW in France and in Belgium** by the end of the 2021 financial year (3 MW in Hauts-de-France and 4,5 MW in Wallonia).

The Lorraine project has also just taken a new important step with the completion of the public inquiry on Tuesday, October 13. The Group has also launched a **study on using its coal gas reserves in Lorraine to produce a carbon-free hydrogen** (blue hydrogen). In any case, La Française de l'Énergie, which retains full control over its development schedule, is studying all the options available in order to optimise value-creation for the Group and its shareholders.

**With preserved financial capabilities, additional secured revenues from 2021 onwards and ongoing and diversified growth drivers, La Française de l'Énergie confirms its ambition to achieve annualized revenues of 35 M€ with an EBITDA margin greater than 45% by the end of 2022.**

Next announcement:  
October 19<sup>th</sup>, 2020 – Q1 Revenues  
October 20<sup>th</sup>, 2020 – Presentation of FY Results

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### About La Française de l'Énergie

*La Française de l'Énergie is a Lorraine SME, leader in industrial ecology, specializing in producing the gas present directly in the coal and in the former coal mines of France and Belgium. Thanks to its recognised know-how in geology and engineering combined to its local positioning, La Française de l'Énergie supplies gas, green electricity and heat to regional players, replacing imported energy by energy local and cleaner energy. La Française de l'Énergie is on a significant growth path and aims to become a major player in the energy sector in Europe. The company is labelled as a young innovative company by Bpifrance.*

More information available on [www.francaisedelenergie.fr](http://www.francaisedelenergie.fr)

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